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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

NIC 3390-83

9 May 1983

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Graham E. Fuller
National Intelligence Officer for NESA

SUBJECT: Can the USSR Block Reagan's Peace Plan?

1. The main outlines of a Soviet strategy, designed to counter US policies on Arab-Israeli issues, are clear. Moscow's minimum goal is to ensure that no peace is made without full Soviet participation.

-- As I noted in an earlier memo, Soviet participation in a "comprehensive peace plan" would probably have severe disadvantages to the US in granting the Soviets a piece of the action. (I believe SOVA/NESA could profitably analyze exactly what the likely course of such Soviet participation would be.)

2. Soviet Three-Fold Strategy. The Soviets pursue a three-fold strategy:

- block the peace process through Syrian and radical PLO elements;
- adopt the cause of the Arab moderates to gain a foothold among them; and
- polarize the conflict so that the US remains identified almost exclusively with Israel.

a. Syria is determined to hold veto power over the Lebanese Israeli negotiations. It wields enough influence through surrogates in Lebanon -- even without its army and Soviet backing -- to severely complicate if not stymie a Lebanese normalization agreement with Israel. (See our earlier memo to you - attached.) The USSR will fully support those Syrian efforts. Syria could stall indefinitely on withdrawal, thereby perpetuating an Israeli presence in Lebanon. The de facto

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partition of Lebanon is the likely result, containing the seeds of a future serious Israeli-Syrian clash in Lebanon -- at higher stakes for the US.

Radical PLO elements -- much under Syrian influence -- also intimidate those inclined to consider the Reagan plan, such as King Husayn, Arafat and the Saudis.

- b. Soviet efforts to win over the moderate Arab states are increasingly serious. For many years now the Soviets have moved away from support for radical and maximalist positions on the Arab-Israeli question. Their own peace plan almost mirrors the Fez Peace Plan -- the most moderate Arab statement to date on the Arab-Israel problem. They are courting Jordan, Saudi Arabia and Egypt. Although these states regard the USSR with suspicion, they cannot fail to note the congruence between the Moscow and Fez plans. Moscow wishes to demonstrate that it -- rather than the US -- is the superpower which backs the moderate cause.

Although the moderates cannot really embrace the Soviet cause, the Soviet position accords enough with their own to make it almost impossible for them to oppose the Soviet position on a settlement.

- c. The USSR encourages maximum US strategic identification with Israel -- since it implies full Soviet strategic identification with the Arab cause -- moderates included. The Soviets thus might not shrink from a limited Syrian-Israeli confrontation in Lebanon in which the US would again be compelled to identify its strategic interests clearly with Israel.

It is essential that the Soviets not be allowed to seize "the high ground" on moderate Arab issues. The Soviets will attempt to determine what the moderate Arab consensus is and adopt it -- trying thereby to deny it to the US.

3. The key gap between the US and the moderate Arab consensus lies almost exclusively in the PLO issue. Husayn, the Saudis, and the Egyptians feel that the US could break that logjam by

- openly talking to (not necessarily yet officially recognizing) the PLO
- agreeing that the PLO -- warts and all -- is the political vehicle of the Palestinians for a long time to come
- committing ourselves to some firmer picture of a future Palestinian entity on the West Bank.

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Even if the US were to accede to Jordanian/Saudi/Egyptian beliefs on this, there is no sure guarantee that spoiling forces in the region could still not raise yet new demands and up the radical ante.

4. The Arab moderate consensus is also notoriously jello-like -- but it does exist, has expressed itself at Fez, and Saudi Arabia is its foremost exponent. There is thus some reasonable chance that such US actions vis-a-vis the PLO might tip the balance sufficiently to deny this Arab consensus position to the Soviets and embolden Husayn, Arafat and the Saudis to cross the line. I do not believe they will do so under our present policy framework.

5. We could probably challenge the Soviet and radical-forces strategy if we could address the PLO issue more directly along the lines urged by Jordan, Morocco, Egypt and Saudi Arabia. This is the watershed problem and the only real hope of crystallizing Arab moderate forces towards a settlement that most Arabs crave. Without crystallizing that consensus I fear we are spinning our wheels and abandoning the position of relative moderation to the USSR.

6. That said, right now is probably not the time for a new US initiative toward the PLO -- just on the heels of Arafat's vivid lack of resolution and leadership in his talks with Husayn. If we face continuing impasse in achieving the withdrawal of foreign forces from Lebanon, or on the next (Jordanian) step of the Reagan plan, we should seriously consider denying this issue to the Soviets through greater US flexibility towards the PLO.

7. Under present circumstances the Soviet tactics outlined above may well serve to stymie our efforts and possibly further polarize the US/Israel vs. Soviet/Arab question. For natural reasons, Israel, too, would prefer for itself near exclusive identification with US interests, despite its overwhelming strategic dominance in the region.


Graham E. Fuller
NIO/NESA

Attachment:
NIC Memo 

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